The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

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WE PLEDGE—
1 BILLION DOLLARS
IN
WAR SAVINGS BONDS
FOR VICTORY

WHOLE NO. 1680 WILLIAM GREEN, President WASHINGTON, D. C., TUESDAY, JUNE 22, 1943 GEORGE MEANY, Secretary-Treasurer VOL. 33, NO. 25

Roosevelt, Brown, Endorse Subsidies As Bitter Fight Looms In Congress

Meany Warns Government Officials Not To Yield To Profiteers' Demands

Washington, D. C.—President Roosevelt and OPA Administrator Brown endorsed organized labor's stand for subsidies to bring about rollbacks in food prices, but the House of Representatives voted to torpedo the program.

Ruthlessly ignoring the interests of consumers, the House slashed 35 million dollars from the OPA appropriation, prohibited salary payments to OPA employees working on plans for "any subsidy of any kind or character" and banned any grade-labeling system by OPA.

AFL Secretary-Treasurer George Meany, in a nation-wide broadcast, challenged the Government not to let itself be frightened by spokesmen for food profiteers and demanded that the Administration keep faith with the people.

Reaction in the Senate appeared hostile to the action taken by the lower House and it was believed likely that the subsidy program might be salvaged.

Speaking at a press conference in the White House, the President firmly put his foot down on proposals that he abandon subsidies to roll back and hold down the cost of living.

He left no doubt that the Administration intends to go forward with plans for a rollback of prices on beef, butter and coffee through the use of subsidies.

He said no one had put forward a better program for the prevention of an inflationary rise in food costs than subsidies. Even if such a program cost two billion dollars a year, the Chief Executive pointed out, that would only be two per cent of the nation's 100 billion-dollar war budget.

The President explained that there were instances where ceiling prices on foods might not equal costs of production. In such instances, he said, a way had to be found to enable production to continue and at the same time to prevent inflationary increases in living costs. Subsidies, he continued, are fair to everyone concerned, whether producer, processor or distributor.

Following the President's statement, Price Administrator Brown testified before the Senate Banking and Currency Committee that it would be "impossible" for him to rollback food prices without the use of subsidies.

Stiffening the resistance of Government leaders against pressure from profiteers and their political spokesmen, Mr. Meany declared in his radio address:

"The Government made a solemn bargain with the people of this country. The time has come for the Government to make good on that pledge—to make good all the way. The time has come for the Government to listen to the pleas of the tens of millions of little people, the consumers of America, instead of permitting itself to be intimidated by the loud-mouthed unpatriotic men who speak for those whose desire it is to wreck the price control program so that food profiteers may enjoy a field day at the expense of the general public."

Nelson Names Joseph D. Keenan Labor Vice-Chairman of W.P.B.

Washington, D. C.—Donald M. Nelson, chairman of the War Production Board, announced the appointment of Joseph D. Keenan, secretary of the Chicago Federation of Labor, AFL affiliate, as a vice-chairman of the W.P.B.

Mr. Nelson said that as vice-chairman of labor production, Mr. Keenan will take over the major functions of the labor production division, of which he has been associate director.

In this post his job will be to obtain maximum productivity in war and essential civilian industry, to coordinate the efforts of the industry divisions in this direction, to cooperate with the War Labor Board, the Labor Department Conciliation Service and other agencies concerned in clearing up labor problems. He also will direct the attack on industrial accidents and ill-health, and transportation and housing difficulties.

AFL Medical Supply Workers Hailed By Army Over "Labor For Victory"

Washington, D. C.—The U. S. Army Medical Corps saluted in a nation-wide broadcast the AFL workers who process blood plasma and manufacture the sulfa drugs which have been so instrumental in saving the lives of thousands of wounded American soldiers on the battlefronts.

Miss Mae Thompson, president of Chemical Workers Local No. 22341 of the AFL and her fellow workers employed at Lederle Laboratories, Pearl River, N. Y., were selected for special praise on the Labor For Victory broadcast.

The story told how 396 out of 400 American soldiers, badly burned in a torpedo blast off North Africa, were saved from almost certain death by prompt treatment with blood plasma and sulfa drugs prepared by these workers.

The experiences of Private Roland Sannoy, now recuperating at Walter Reed Hospital in the nation's capital, formed the dramatic backbone of the broadcast, while Major Norman T. Kirk, the new Surgeon General of the U. S. Army, provided the closing punch when he said:

"Let me remind you men and women of the AFL—and all other men and women who work in medical supplies —from your hands comes healing. At your hands suffering will lessen. Wherever American soldiers and sailors be injured or ill—in the Solomons or New Guinea, Africa or England—your skillful hands are there at the bedside, as surely as the hands of doctors and nurses. You are easing pain and cheating death."

Besides Miss Thompson, other members of Local No. 22341 who appeared on the program were Mary Franceviglia, Lois Bliner, Evelyn Veralde, Lucille Chester and Mrs. Mary Kralnak. All have close relatives in the armed forces.

F.D.R. Weighs Connally-Smith Bill As New Coal Mine Strike Opens

The Bill of Particulars

AFL, CIO And Rail Brotherhoods Join In Pleas For Veto By President

Washington, D. C.—President Roosevelt faced the grave and immediate responsibility of acting upon the anti-labor Connally-Smith Bill in the midst of a nation-wide crisis precipitated by the third coal strike called by the United Mine Workers Union within two months.

The President had before him a scathing bill of particulars against the Connally-Smith Bill presented jointly by AFL President Green and by the leaders of the CIO and the Railroad Brotherhoods.

As this edition went to press, enemies of labor were jubilantly expecting that the renewed coal strike would force the President's hand and compel him to permit the Connally-Smith Bill to become the law of the land.

However, no advance indications were forthcoming from the White House as to whether the President will or will not veto the bill. He must act before June 25 or the bill will become law without his signature.

AFL President Green carried the fight against the Connally-Smith Bill to the people of the nation in a radio broadcast over the Mutual System. He said in part:

"In the final analysis the Connally-Smith Bill must stand or fall on this test—is it going to help the war program or will it interfere with it?

"The War and Navy Departments, the War Production Board, the Maritime Commission and other key agencies of the government warned Congress that the Connally-Smith Bill would wreck the high morale of America's workers and obstruct vital war production. This warning, unfortunately, went unheeded by Congress, but it must be given full consideration by the American people and by their Commander-in-Chief, President Roosevelt.

"The Connally-Smith Bill, when it passed the Senate in its original form, was restricted to plants taken over by the government. The House of Representatives, however, substituted an entirely new bill imposing drastic government regulation upon all labor. Conference committees of both houses of Congress then proceeded to draft a compromise oversight. The final result was a legislative hodge-podge which has been severely criticized by even such conservative organs as the New York Times.

"Organized labor condemns the Connally-Smith Bill because instead of outlawing strikes, it permits and authorizes them. We oppose this bill because it places a Fascist straight-jacket on the freedom of American workers and their trade unions.

"We, as organized labor enforce discipline among its members, how can it prevail upon them to work harder and accept greater sacrifices, when vengeful legislation of this kind is forced upon them? How can we make free American workers believe in the sincerity of this war for the preservation of democracy and freedom when their own freedoms are taken away from them and they face involuntary servitude?

"Therefore, we respectfully appeal to President Roosevelt to veto the obnoxious Connally-Smith Bill and we pledge to the President that if he does so the workers of our country will respond in the call for service even more enthusiastically and efficiently than in the past."

* * *

Washington, D. C.—Following are excerpts from the searching analysis of the Connally-Smith Bill presented jointly to President Roosevelt by AFL President William Green, CIO President Philip Murray and President David B. Robertson, of the Brotherhood of Locomotive Engineemen and Firemen:

The "War Labor Dispute Act" is a wicked, vicious bill. It is the worst anti-labor bill passed by Congress in the last hundred years. It is born of revenge and malice. It is the very essence of Fascism. It destroys the philosophy of voluntarism on which free trade unionism is founded. Its enactment follows the tactics of the Fascists who, as a forerunner to totalitarianism, first attacked and destroyed free trade unions in Germany and Italy. It does more—it destroys the foundation on which the principles of collective bargaining rest. In the last 10 years the Government has caused to be enacted a number of measures, all of which were designed directly or indirectly to establish and maintain the principle of collective bargaining through representatives chosen by workers. All that has been built up during these past 10 years is now being rendered ineffective and virtually destroyed by limiting, circumscribing and prohibiting the normal functioning of trade unions through this vicious enactment. Compulsion, civil damages and criminal penalties are the unholy trinity by which this Act accomplishes its evil purpose.

* * *

(A) Section 5 denies to minorities the fundamental right of applying to the National War Labor Board for a change in wages or other terms or conditions of employment in plants, mines, etc., of which possession is taken under the Act. This section permits the "Government agency operating such plant, mine, or facility, or a majority of the employees of such plant, mine, or facility, or their representatives, (to) apply to the National War Labor Board for a change in wages or other terms or conditions of employment." It is highly unjust, unfair and discriminatory to deny to a minority group of workers or their representatives the right to make such application when such workers have a just grievance respecting employment conditions.

* * *

(B) Section 6 is highly offensive. It reestablishes the reprehensible doctrine of conspiracy which employers and anti-labor judges used for 50 years prior to enactment of Section 20 of the Clayton Act to curtail and prohibit labor unions in their efforts to organize and to obtain the right to bargain collectively. Both Section 20 of the Clayton Act and the Norris-LaGuardia Act removed the doctrine of conspiracy in labor cases. Government by injunction was possible only under this doctrine.

* * *

A Machiavelian twist is given to this section by providing that "No individual shall be deemed to have violated the provisions of this section by reason only of his having ceased work or having refused to continue to work or accept employment." With the doctrine of conspiracy reestablished, it requires little imagination to perceive the total worthlessness of this guarantee. Individuals having just grievances do not cease work singly. Even if they did, the fact that two or more quit at the same time would be evidence of a conspiracy upon which a conviction could be had. The provision, viewed as a whole, establishes involuntary servitude.

* * *

(C) Section 7 (4) (c) provides that—"No member of the Board shall be permitted to participate in any decision in which such member has a direct interest as an officer, employee, or representative of either party to the dispute."

We are of the opinion that under this section officers and representatives of the American Federation of Labor cannot participate in any decision involving a dispute between an AFL affiliate and an employer. Officers and representatives of the Congress of Industrial Organizations cannot sit upon the Board and participating in these decisions, the labor representatives will merely encourage court attacks upon the decisions and encourage disobedience on the part of employers, on the claim that the decision of the board is a nullity.

* * *

(D) Despite the fact that the sponsors of the bill vociferously proclaimed against strikes in wartime, the bill expressly encourages strikes. Comparison should be made between Section 5 of the bill and the "no-strike" pledge given by labor. The no-strike pledge on the part of labor holds good throughout the war, and in all plants and under all circumstances. This bill, however, with the exception of plants possessed by the United States Government, permits striking, provided a notice is given the war contractor with whom the workers are in dispute, and to the Secretary of Labor, the National War Labor Board or the National Mediation Board, and provided 30 days are permitted to elapse from the time of the giving of the notice and that a secret ballot is promptly taken by the National Labor Relations Board. Under the "no-strike pledge" the no-strike pledge is for the duration of the war a brief cooling-off period, after which a strike may be called. Note the fact that a majority vote against the strike does not prohibit striking. The 30-day notice and the ballot are merely conditions precedent to striking; it does not provide that in the event the ballot is negative as to striking a strike may not be called.

* * *

(E) Not only does this section provide for the ballot as a condition precedent to striking, but it provides that any person who violates this section shall be liable for damages sustained by reason of such failure or refusal to any person injured thereby, and to the United States if so injured." It imposes a tremendous civil penalty which can destroy the treasury of any union in the United States. One need but recall the testimony brought out before the LaFollette Committee investigating activities of employers in labor disputes to know that some employers are not averse to the employment of strike breakers, agents to stir up strife, and this bill certainly encourages such employer activities.

* * *

(F) Section 9 makes it unlawful for a labor organization to make a political contribution. Labor unions are put in the same class with national banks and corporations. No similar prohibition is provided as to fraternal organizations, religious organizations, farm organizations or other non-profit organizations. Recent history in connection with anti-labor legislation establishes conclusively that employers have been able to induce reactionary farm organizations to contribute to enter and help elect anti-labor political candidates. Thus, these farm organizations would willingly act as stooges for other corporations and would, by means of such action, make political contributions since they are not prohibited from doing so by law. But it is a well known fact that large and wealthy individuals and their families, the major portion of whose income is derived from dividends, make political contributions, the purpose of which is to influence favoritism for the corporations which they control. To permit these individuals to make political contributions and to deny to wage earners the right to make political contributions, is not conceivable that prohibition of political contributions has any relation to production for war.

* * *

(G) It was contended by the sponsors of the bill during debate that by Section 7 (2), which provides that "In making such decision the board shall conform to the provisions of the . . . National Labor Relations Act," the War Labor Board would be prevented from granting maintenance of membership or closed shop to any group of workers or their organization in dispute with an employer. Because of the ambiguity created by the language of the section and the statements made respecting the war effort, it is quite likely that reactionary judges will so hold. If the War Labor Board should take a different view of the provision, it will open up court attack.

* * *

(H) We have specifically refrained from discussing the constitutionality of the provisions contained in this bill. Many of them are patently unconstitutional. The bill, for example, granting abridgement of speech and imposes upon them involuntary servitude. However, the foregoing discussion demonstrates quite clearly that this bill, instead of promoting the war effort, will be conducive to hampering and restricting the war effort. If any person believes that war production would be increased by passage of the bill, or that the morale of the American worker would thereby be raised, he is seriously mistaken. Existing procedures have not only proved sufficient but have operated to make possible the greatest production record in the history of this or any other country. The American worker neither expects nor merits legislation such as this for his reward.

We, therefore, most earnestly request that the Connally-Smith Bill be vetoed.

HOUSE CURBS NLRB IN THE KAISER CASE

Washington, D. C.—By unanimous vote, the House of Representatives voted to curtail the powers of the National Labor Relations Board funds for attacks on war plant contracts which are now in effect for three months or more. The House also lopped a half million dollars from the NLRB's salaries budget.

These actions were taken in retaliation against the board's malodorous attacks against American Federation of Labor union contracts with the Kaiser Shipbuilding Co. yards on the West Coast and other war firms.

Incensed at the vote in the House, the National Labor Relations Board issued an insulting statement implying that the legislators were ignorant of the facts and revealing its violent attacks on the AFL contracts.

AFL President William Green promptly charged that the present National Labor Relations Board "wrote its own death sentence" by issuing its venomous statement.

He called upon the United States Senate to come to the aid of the House of Representatives which will effectively curb the dangerous activities of the National Labor Relations Board.

He also urged the President to remove from office the present members of the National Labor Relations Board "who have distorted the law they were assigned to administer out of all reason and made it an instrument of oppression against labor."

The AFL Plan To Banish Fear of Want

Third Article In New Series Explains Need For Unified National Unemployment Insurance System

The American Federation of Labor favors a unified national unemployment insurance system because it can provide better insurance than 51 separate state systems can give us. A unified national unemployment insurance system

can pay benefits longer,
can pay additional benefits for the family,
is safer than 51 separate funds and would cost more economical to operate,
treats all workers alike, regardless of the state in which they work,
is easier to understand,
is in line with Federation's proposals.

Let us see what these things mean.

Benefits For a Longer Time

Workers need benefits as long as they are out of work. If the benefits stop before a person gets back on the job, he and his family must live off their savings or ask for relief. Of course, no insurance system can take care of unemployment that drags along for years; but within six months a worker can usually find another suitable job even during a long shutdown. For this reason we want to make it possible to draw unemployment benefits for as long as 26 weeks if need be. To safeguard against a severe depression after the war, benefits should be extended, if necessary, to 52 weeks, provided the insurance funds permit.

As it is now in most states, many unemployed workers exhaust their claim to benefits long before they get back to work with their industry expanding and looking for labor. One state, in 1939 and 1940, paid benefits for only nine weeks on the average; and three-fourths of the people who drew unemployment benefits in that state were still out of work when their benefits stopped. Even in states which paid benefits uniformly for 16 weeks, many people were still out of work when their benefits stopped. What can we expect during a depression if the benefits don't last long enough when business is booming?

After the war millions of competent workers may be out of employment for months while industrial plants are converting back to peacetime production. We haven't forgotten what it means to have the factory doors closed and the dust gathering on our tools, and we don't want another depression to catch us unprepared. Workers who might find ourselves out of work and with our claim to benefits exhausted long before we could find other jobs. If we get national unemployment insurance we can provide benefits for a longer time without having to amend 51 separate state laws in order to do so.

Protecting the Entire Family

Unemployed workers with families to support require higher benefits than single workers need. Workers with several dependents are among the first forced to ask for relief to supplement their unemployment benefits. This we defeat a primary purpose of unemployment compensation. A uniform national unemployment insurance system could provide benefits for dependents at our old age insurance rates. Under this insurance for our families, we want to pay for each dependent an amount equal to half the unemployed worker's basic benefit, limiting the family's total benefit to $35.00 a week or to 80 per cent of the worker's average wage.

Safer and More Economical

Although we had learned that forces determining business depression are national and international in scope, instead of establishing unemployment compensation on a national basis, we did set up 51 separate systems. It is necessary for 51 separate states and territorial jurisdictions to make separate laws. This has resulted in unnecessarily complicated laws, needless, costly difficulties and needless complications in insuring solvent funds. As yet these 51 funds have not weathered serious unemployment. That lies just ahead. We cannot get rid of these faults now while more employed persons and our country has ever before known have a chance to build up their claims to unemployment compensation. The social security law must have sufficient coverage to pay these workers when they are laid off after the war or are discharged during readjustment to peace-time demands and production.

After the war when millions of people are unemployed and hunting for work, some of the 51 separate unemployment compensation systems will not be able to pay enough in benefits to tide people over until they find jobs. One state which boasts of having reduced taxes for 81 per cent of its employers now pays less than $50.00 a year to the two-thirds of its workers who are entitled to benefits. Benefits are paid only 11 weeks on an average so that even during an upswing in business two-thirds of the workers exhausted their benefit rights before in case they are laid off. How will they fare in that state when depression hits them? It would take a long time to strengthen the state law just when speed was important. In some states satisfactory changes could not be made without amending the state constitution, as we already know from experience.

Even with adequate benefits some of the 51 separate unemployment compensation systems will not be able to meet their legal obligations to pay unemployment benefits in the period of general depression. Some are solvent now only because benefits are kept low and there is little unemployment. Under experience rating some states aim only to replace what they have paid out in benefits in the three previous years. This policy violates the insurance principle of building up reserves when conditions are favorable to take care of increased outgo when conditions are bad.

The precarious situation of some state funds concerns every state unemployment compensation system in the country. No state can afford to repudiate its legal obligation to pay unemployment compensation, especially when many states are resisting because of unemployment. No state dares to take a chance that its own or some other state's funds may go bankrupt after the war, for, like a bank failure in uncertain times, it would shake people's confidence in the whole system.

Every Governor, every Congressman, every responsible employer must be helped to see that failure to press now for a unified national system of unemployment compensation endangers the welfare of the state and its economic stability.

A unified national unemployment insurance system would gather together all the separate state funds into a single pool. This pool could take care of unemployment with greater effectiveness than the same amount of money divided into 51 separate funds. Wide distribution of the risks with a common pool is a basic principle of all insurance. That is why people can pay fire insurance for a few dollars a year instead of each man having to put aside the entire price of his home in order to replace it in case of fire. Then in unemployment insurance funds could be used to meet unemployment wherever it occurred; and no state and no industry knows where that will be after the war.

Unified national unemployment insurance would still leave local unemployment insurance administration wide scope for initiative. It could give local offices time and opportunity to cooperate with management and with labor in the state in finding ways of promoting employment, purchasing power and business.

Equal Treatment, Easily Understood

Unified national unemployment insurance could give workers equal treatment in whatever state or states they lived and worked. The insurance benefits could everywhere be related to the previous wages, on a simplified and uniform basis. Workers who moved from state to state could accumulate their wage credits in the same way as those who remained in one state. Workers who had previously been employed in more than one state would be spared the delay in getting their benefits now caused by complicated interstate transactions.

Under the recently proposed amendments to the Social Security Act sponsored by the Federation, a person's weekly unemployment benefits would be 50 per cent of the first $12.00 of his average weekly wage, plus 25 per cent of his wage between $12.00 and $56.00 a week. A person without dependents would draw no less than $5.00 and no more than $17.00 a week. A person with dependents would draw no less than $5.00 and no more than $35.00 a week. Those who are weekly wage or not more than $30.00 a week. To show what workers with different wages would draw in unemployment benefits for themselves and their families, the table below gives examples:

Illustrative Weekly Unemployment Insurance Benefits

Average Weekly Wage	Insured Person	Insured Person and Wife	Insured Person, Wife and 1 Child	Insured Person, Wife and 2 or more Children
$10	$5.00	$7.50	$8.00	$8.00
20	8.00	12.00	16.00	16.00
30	10.50	15.75	21.00	24.00
40	13.00	19.50	26.00	30.00
50	15.50	23.25	30.00	30.00
56	17.00	25.50	30.00	30.00

In Line With Our Program

Organized labor saw the practical necessity for a federal unemployment insurance system in the social security law was enacted and urged federalization at that time. In his statement on the Social Security bill before the Senate Committee on Finance in 1935, President Green said: "Labor prepares may condition our nation and our lives for many years, setting us on the road to prosperity, or leading toward years of chaos, deprivation and suffering. Unified national unemployment insurance can provide enough to live on during the transition from war to peace.

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